

A CURIOUS REASON

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lay in the forefront of its investigations was that of the employment of foreign capital in British industries. On the preliminary question of whether it was desirable that foreign capital should be freely attracted to this country, there was little, if any, difference of opinion. For this very sensible conclusion the Committee gives rather a curious reason. It states that the maintenance of London as the financial centre of the world is of the first importance for the well-being of the Empire, and that anything which could impede or restrict the free flow of capital to the United Kingdom would, in itself, be prejudicial to Imperial interests.

Now, of course, it is entirely true that the maintenance of London as a financial centre is very important, but I venture to think that those who are most jealous concerning the prestige of London and the importance of its financial operations would say that it ranks only second to the industrial efficiency of the country as a whole and cannot, in fact, be long maintained unless there is that industrial efficiency behind it, providing a surplus out of which London may be able to finance the world and so, incidentally, and as a side issue, be to a great extent helped by foreign capital to do so. It is surely evident that a financial supremacy which was based merely on a jobbing business,

gathering in
capital from one nation and lending it to
another,
would be an extremely precarious and
artificial
structure, the continuance of which
could not be
relied on for many decades. Finance
can only
flourish healthily and wholesomely in a
country